
MARSHALL APARTMENTS

100 Units • 1157 Salina Street & 1401 East 12th Street • Austin, Texas

SUMMIT
HOUSINGPARTNERS

Executive Summary

Caritas of Austin (“Caritas”), a Texas non-profit corporation, and Summit Housing Partners (“Summit”) have partnered to acquire and substantially rehabilitate a 100-unit apartment community in Austin, Texas called the Marshall Apartments. Caritas and Summit will be referred throughout this document as “the Buyer”.

The Buyer will acquire and rehabilitate this community, which was built in 1968, through the use of 4% Low Income Housing Tax Credits (“LIHTC’s”), private activity bonds, and Rental Housing Development Assistance from the City of Austin. The Total Development Cost (“TDC”) for this project is an estimated \$9,715,753. The primary components of TDC include a purchase price of \$5,250,000 (\$52,500 per apartment) with approximately \$2,200,000 (\$22,000 per apartment) allocated for rehabilitation of the community.

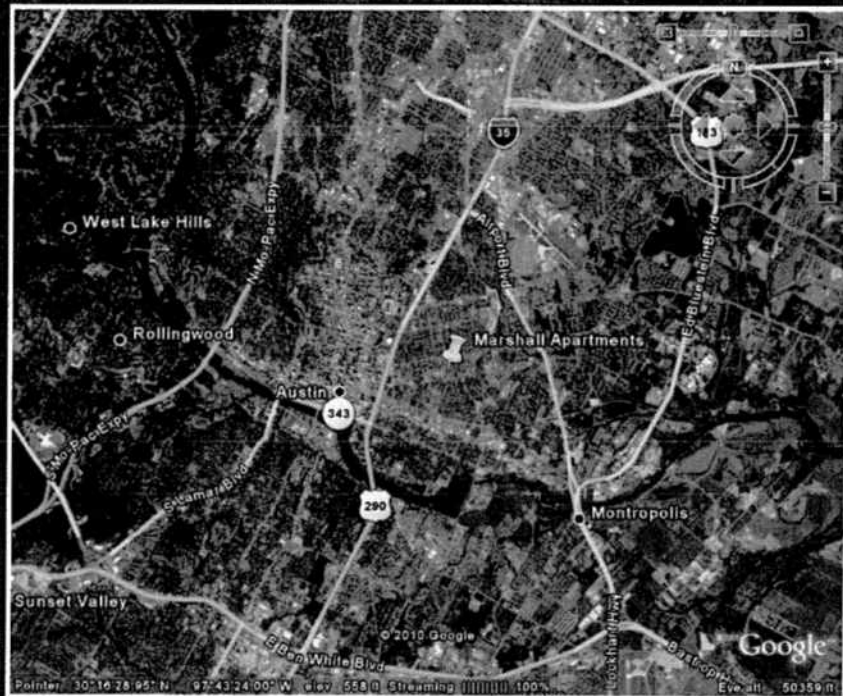
Marshall Apartments is currently subsidized by a Section 8 Housing Assistance Payment (“HAP”) contract that covers 100% of the units. The current HAP contract expires on 10/1/11, but as part of this preservation transaction the Buyer will request from HUD a new 20 year HAP contract. The property is currently 100% occupied with a waiting list. In addition, 20% of the apartments (20) will be set-aside as Permanent Supportive Housing units in accordance with the City of Austin’s Permanent Supportive Housing Strategy designed to battle homelessness in Austin. All Marshall residents will have access to a full array of social services provided by the Buyer with a social services office on site.

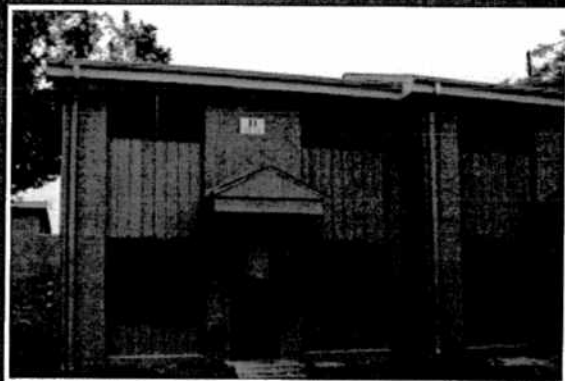
The Buyer has been actively pursuing new acquisitions in Austin due to the stable employment base (State Government, University of Texas, Dell, IBM, etc.), projected growth and the City’s deep commitment to providing much needed affordable housing to its residents. This will be Summit’s 17th acquisition totaling 3,787 units in Texas. Summit currently owns and operates 90+ properties in 9 states totaling 14,000+ units.



Property Description

Project Name and Location:	Marshall Apartments 1157 Salinas St Austin, (60 Units) & 1401 East 12 th Street (40 units) Austin, Texas 78702	
Year Built:	1968	
Acreage:	4.291 acres	
Occupancy:	98% (98 of 100 units occupied) as of September 2010 with a waiting list	
Location Designation:	Qualified Census Tract (QCT) 0008.04	
Improvement Information:	<p>The subject property is comprised of 19 two-story residential buildings containing 100 apartments. The buildings were constructed using wood framing on a concrete slab foundation with pitched shingle roofs.</p> <p>The exteriors of the buildings are wood and brick construction. The buildings have individual electric forced air HVAC units with an exterior pad-mounted condenser. Though individually metered, the property is managed as an “all bills paid” property.</p> <p>The build-out consists of carpeted / vinyl tile floors and painted gypsum board walls and ceilings. The bathrooms have a tub/shower combination, sinks, and toilets. Kitchens are equipped with refrigerators, gas stoves and ovens, laminate countertops, and stained / painted cabinets.</p>	
Resident Profile:	The property is family-oriented. 100% (100 units) are covered by a Project-based Section 8 HAP contract. All current tenants are considered to be at or below 30% MFI.	
Post-Rehab Community Amenities:	Leasing Office Community Room Two Playgrounds Laundry Facility	Social Services Office Computer Learning Center Community Garden
Post-Rehab Unit Amenities:	Well-equipped kitchens Ceiling Fans in living areas and all bedrooms Window Blinds Balcony/Patio Carpet/Vinyl Flooring	





Unit Mix:

<u>Bedroom/Bath</u>	<u># of Apartments</u>	<u>Apartment Size</u>	<u>Total S.F.</u>
1+1	24	576	13,824
2+1	36	798	28,728
3+1	24	896	21,504
4+2	16	959	15,344
Total / Avg.	100	794 ft	79,400 ft

Proposed Rehabilitation Scope of Work

The \$2,200,000 (\$22,000 per apartment) scope of work includes but is not limited to the following:

- 100% replacement of windows
- 100% replacement of exterior entry and storm doors
- 100% replacement of kitchen countertops, cabinets, sinks and fixtures
- 100% replacement of kitchen appliances
- 100% replacement of bathroom countertops, cabinets, tub surrounds and fixtures
- 100% replacement of flooring
- 100% replacement of interior lighting fixtures
- Installation of ceiling fans in all living areas and all bedrooms
- Installation of blinds on all windows
- As needed replacement of interior doors
- As needed addition of hard wired smoke alarms and CO detectors
- As needed upgrades to wiring and plumbing lines
- As needed replacement of HVAC systems and water heaters
- Replacement and addition of exterior lighting
- Parking lot improvements including complete overlay and striping
- Extensive renovations to existing buildings to provide and/or improve community room, leasing office, laundry facilities, social services offices, and computer learning center
- Conversion of 10% of the apartments (10) to be ADA accessible and 2% (2) to be accessible for the hearing impaired
- Site accessibility improvements
- Replacement of siding with hardi siding as needed with the addition of “belly” bands and 100% exterior painting with accents to improve community aesthetics
- Installation of new monument, building, unit and ADA signs
- Installation of new fencing and landscaping
- Installation of two new playgrounds and community garden